

This letter describes the issuance of Private Letter Rulings. See, 2 Ill. Adm. Code 1200.110. (This is a GIL.)

August 25, 2000

Dear Xxxxx:

This letter is in response to your letter received June 19, 2000. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120 (b) and (c), which can be found on the Department's Web site at [www.revenue.state.il.us/legalinformation/regs/part1200](http://www.revenue.state.il.us/legalinformation/regs/part1200).

In your letter, you have stated and made inquiry as follows:

**As you may know, I have been contacting other states concerning their procedures for issuing advisory opinions for the purpose of, hopefully, improving our procedures. More specifically, we are looking for ways to speed up the process.**

**As part of this ongoing project, I have prepared the enclosed questionnaire. I would appreciate it if, at your earliest convenience, you would complete and return the questionnaire to my attention.**

The Department's procedures for issuance of Private Letter Rulings are described in regulations found at 2 Ill. Adm. Code 1200.110 (see enclosed copy). As you can see from this regulation, the Department issues Private Letter Rulings in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. These letter rulings are binding on the Department only as to the taxpayer who is the subject of the request for the ruling. The Department also issues General Information Letters, which are described in the enclosed copy of regulations found at 2 Ill. Adm. Code 1200.120. General Information Letters do not constitute statements of agency that apply, interpret or prescribe the tax laws administered by the Department. They are not binding upon the Department, may not be relied upon by taxpayers in taking position with reference to tax issues, and create no rights for taxpayers under the Taxpayers' Bill of Rights Act. Instead, they contain general discussions of tax principles or applications. They are designed to provide general background information on topics of interest to taxpayers.

As you can see from Section 1200.110 (b), taxpayers must submit specific information in order to obtain a Private Letter Ruling. Request for Private Letter Rulings are generally responded to within 30 days. The complexity and novelty of issues presented in a letter ruling request, as well as the sufficiency of information submitted by the taxpayer, are factors which also affect the time necessary to respond to a taxpayer's request for a Private Letter Ruling.

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General Information Letters and Private Letter Rulings are issued by Department attorneys in the Legal Services Office. Private Letter Rulings are reviewed by at least two attorneys other than the attorney who drafted the Private Letter Ruling. Although the Director of the Department may review Private Letter Rulings prior to their issuance, this procedure is not required. There is no charge for issuance of a Private Letter Ruling. We have enclosed a copy of a recently issued Private Letter Ruling for your perusal.

During 1999, the Department issued approximately 37 Private Letter Rulings. As of July 30, approximately 15 Private Letter Rulings have been issued in the year 2000. As you can see, the number of Private Letter Rulings issued by the Department is not extremely high. For that reason, while the issuance of Private Letter Rulings may require a greater degree of research and preparation, they do not, overall, comprise a large percentage of attorney time.

I hope this information is helpful. The Department maintains a Web site, which can be accessed at [www.revenue.state.il.us](http://www.revenue.state.il.us). If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110 (b).

Very truly yours,

Jerilynn Gorden  
Senior Counsel, Sales & Excise Taxes

Enc.